Early Learning Council Technical Advisory Committee -- QRIS and Tiered Reimbursement June 28, 2006

Policy Recommendations to the Early Learning Council for the Quality Rating and Improvement System

Administration

The Department of Early Learning (DEL) will oversee administration and implementation of the QRIS to include:

- + Public awareness and engagement;
- + System-wide information management, data collection, and evaluation;
- + QRIS (rating scale) development and refinement;
- + Processes for provider participation (recruitment, enrollment, linkage with mentors, and determination of quality levels based on documentation and assessment);
- + Provision of quality supports, assessments, accreditation procedures;
- + System coordination; and
- + Fiscal components including incentives and tiered reimbursement.

Provider Improvement

With customized support from their mentor, providers will perform a self-assessment and develop a Plan for Improvement (PI) to identify the steps and supports needed for quality improvement (and advance up the quality scale).

Supports for Quality Improvement

The QRIS will build on and expand existing resources to offer an array of tailored and relevant supports and resources to assist providers in implementing the steps of the PI and improving quality, such as:

- + Peer mentoring and coaching;
- + Opportunities to learn from other providers;
- + Language specific resources/translation services;
- + Substitutes;

- + Training and workshops;
- + College credits/Higher Education;
- + Scholarships and financial assistance;
- + Career planning;
- + Compensation and financial support
- DEL may contract for statewide and local coordination of the various systems providing these services to build capacity, guarantee content that is culturally relevant and reflects best practice and ensure statewide accessibility and high quality delivery.
- To fully implement the QRIS, the numerous systemic improvements will be necessary, to include: improving the quality and diversity of training; improving collaboration and articulation between community-based organizations and institutions of higher education; and increasing the capacity of higher education to meet the diverse needs of the workforce.

External Assessment/Observation

External site assessments will occur with providers seeking to achieve quality levels 3, 4 and 5 and every three years to maintain a quality level.

- An independent, qualified, entity, under contract, should perform the external assessments/ observations. The "assessment agency" must assure professional, consistent, reliable, and culturally appropriate implementation of the on-site observation and assessment process.
- DEL will oversee the development of the assessment tools and ensure alignment with the redesigned Washington State Early Learning Benchmarks. Assessment tools will meet the following criteria: align

with accreditation standards; include measures of learning environment, teacher-child interactions and peer relationships, and family and community partnerships; demonstrate validity, reliability and cultural relevance to Washington's populations; predict program quality; and be cost-effective.

Incentives and Bonuses

Providers will receive a combination of financial (cash bonuses) and other incentives for participation.

- Cash bonuses will be given to QRIS participants when their initial Plan for Improvement is approved, when they advance up to the next quality level (one-time per level), and annually for maintaining a quality level. Bonus amounts will be unique to each quality level, vary by the number of children served, and reflect provider achievement of specific goals in their PIs.
- Specific to the goals and steps outlined in their PIs, providers will receive other incentives to include vouchers or credits towards classroom materials, tuition and training support, and substitutes and paid release time to participate in quality improvement and professional development activities.
- Individuals with higher education levels should earn compensation that is competitive with equal education levels in other labor markets. Therefore, the QRIS will enhance existing systems and develop new ways to address increasing compensation to providers (and their staff) based on each quality level achieved, possibly implementing a universalized version of the Career and Wage Ladder, with an alternative system developed for family child care providers (such as bonuses).

Tiered Reimbursement

Providers need incentives to serve subsidized children with subsidy rates that are closer to the actual cost of care, especially as the cost of care increases in this proposed system. The state's subsidy rate should be set at the 75th percentile of the current (local) market rates.

As an incentive to low-income families to seek higher quality care, and as incentive to programs to serve subsidized families, tiered reimbursements should provide gradual increases in subsidy rates from quality level 1 to level 5. Levels of subsidy will start with the base subsidy for providers at quality level 1 and increase from levels 2 though 5.

- The system will maintain continuity of care for families on the margins of eligibility by developing a means to ensure that children will not be penalized for their parent's employment status changes. For instance, consideration should be given to maintaining eligibility for subsidies during short breaks in parental employment and establishing longer eligibility periods.
- There will be no lower threshold for tiered reimbursement—a provider serving 1 subsidized child will be eligible for subsidy.

Implementation and Phase-In Recommendations

- The state's purpose and intention to establish a statewide system of Quality Rating and Improvement linked to Tiered Reimbursement should be institutionalized in statute.
- Funds should be requested to begin implementing QRIS in up to 10 communities in FY 07-09. In estimating the funds required, a mix of small, medium and large communities should be assumed; provider participation will be based on the estimates used in the Access to High Quality Early Learning Study; and a full array of supports, incentives and reimbursements will be included.
- Steps should be taken this fall (2006) to identify communities interested in serving as early implementers of QRIS.